Office of the Chief Electoral Officer

Performance Report

For the period ending
March 31, 2012

Marc Mayrand
Chief Electoral Officer of Canada

The Honourable Peter Van Loan, PC, MP
Leader of the Government in the
House of Commons

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Chief Electoral Officer's Message

Elections Canada conducted the 41st general election on May 2, 2011, the fourth election in a seven-year period. The agency successfully completed several initiatives in time for the election: we improved accessibility of polling sites, piloted the use of the voter information card as identification for specific categories of electors in designated locations and carried out new outreach efforts at seniors' residences and long-term care facilities.

Substantial efforts were also dedicated to post-election activities during the reporting period. My report on the conduct of the 41st general election was presented to Parliament in August 2011. We provided training on political financing to candidates, official agents and auditors. We carried out compliance reviews of financial returns of political parties and candidates, and we reimbursed close to $55 million in election expenses as of September 13, 2012. Over the past year, we undertook five major national public opinion studies with various stakeholders to assess their experience with and the administration of the 41st general election. The results of these studies were published on the Elections Canada website and supported the development of a consolidated evaluation report, to be made available this fall.

Although our attention was focused on delivering the 41st general election and carrying out post-event activities, Elections Canada made significant progress on its plans and priorities for 2011–2012. We carried out a number of initiatives to engage young people in the democratic process and understand their attitudes toward it: we commissioned the National Youth Survey, undertook an evaluation of the *Student Vote* program and launched the first annual Canada's Democracy Week. We also commissioned research to deepen our understanding of the factors affecting the participation of Aboriginal electors and electors with disabilities.

In addition, the agency completed the preparatory phase of and launched the process for readjusting Canada's federal electoral boundaries. With the modernization of our information technology (IT) infrastructure, we have improved the agency's ability to deliver new services to electors and political entities. The first two services – online voter registration, or E-Registration, and the Political Entities Registration System (PERS) – were successfully launched in spring 2012.

While fiscal restraint will significantly limit our capacity to further modernize services offered to both political entities and electors in time for the next general election, we have developed a modest plan to guide our efforts over the 2012–2015 period, as a step toward our long-term vision. This three-year plan will introduce several improvements for the 2015 general election, such as expanding the use of the voter information card as proof of identity and address, establishing new locations for voting by special ballot, and conducting pilot projects to test more efficient voting processes at the polls.

While Canadians were generally satisfied with the conduct of the 41st general election, two events have attracted much attention. The first concerned alleged fraudulent

telephone calls made during the election, an issue under investigation by the Commissioner of Canada Elections. In parallel, I plan to report to Parliament next year on the challenges posed by the use of new information and communications technology by participants in the electoral process and suggest improvements to the legal framework to help address these challenges.

The second event was the contested election in Etobicoke Centre, which is still before the courts. Regardless of the decision, Elections Canada is placing a high priority on strengthening measures to improve compliance with the procedures and standards applicable on voting days.

In closing, recent events and our post-election evaluations reinforce the need to take immediate steps to modernize the electoral framework and ensure that the electoral process continue to meet Canadians' high expectations.

Marc Mayrand
Chief Electoral Officer of Canada

Section I: Agency Overview

Raison d'être

The Office of the Chief Electoral Officer, commonly known as Elections Canada, is an independent, non-partisan agency that reports directly to Parliament. Its mandate is to:

- be prepared to conduct a federal general election, by-election or referendum
- administer the political financing provisions of the *Canada Elections Act*
- monitor compliance with and enforce electoral legislation
- carry out investigations into allegations that would amount to offences under the Act
- conduct voter education and information programs
- provide support to the independent commissions in charge of adjusting the boundaries of federal electoral districts following each decennial census
- carry out studies on alternative voting methods and, with the approval of parliamentarians, test online voting processes for future use during electoral events

Responsibilities

In fulfilling its mandate, Elections Canada appoints, trains and supports returning officers and retains the services of 30 field liaison officers across Canada. It also maintains the National Register of Electors, which is used to prepare preliminary lists of electors at the start of electoral events, as well as electoral geography information, which provides the basis for maps and other geographic products used during electoral events.

The agency also:

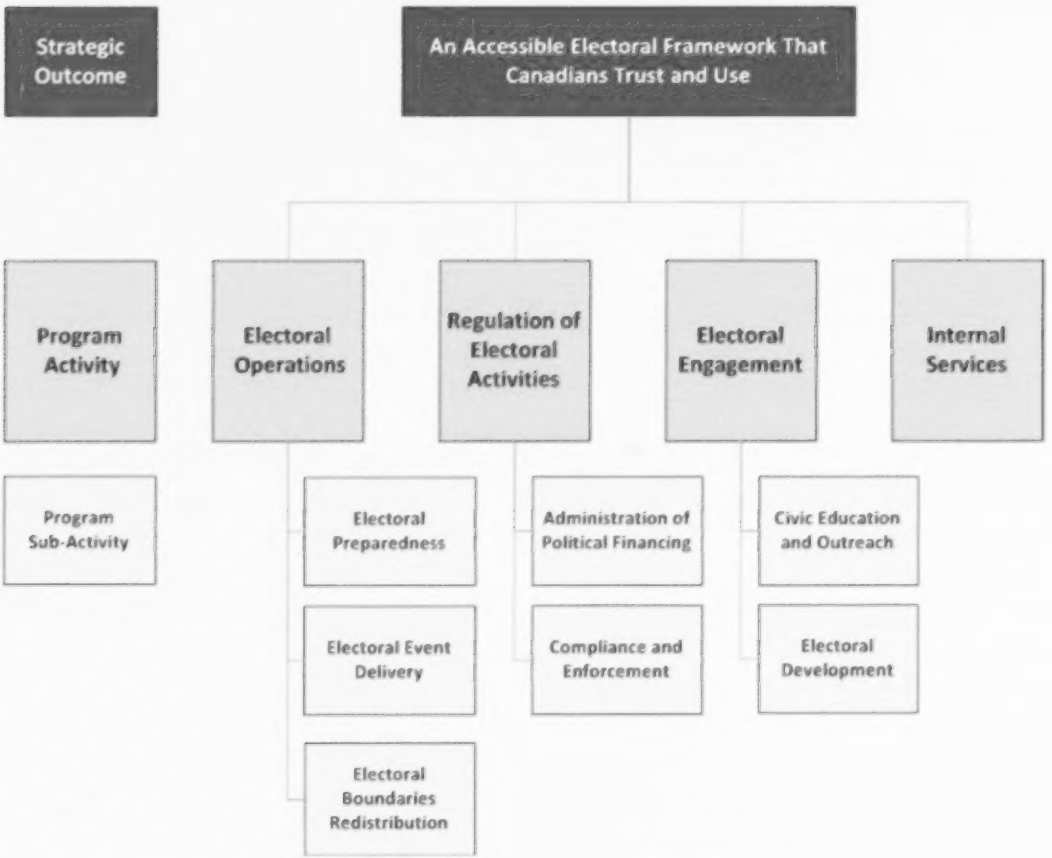
- registers political entities, including political parties, electoral district associations, candidates, leadership contestants, third parties that engage in election advertising and referendum committees
- administers the allowances, reimbursements and subsidies paid to eligible candidates, registered political parties and auditors
- monitors compliance with the *Canada Elections Act*, including compliance with political financing rules, during and between elections
- discloses information on registered parties and electoral district associations, registered parties' nomination and leadership contestants, candidates, third parties and referendum committees, including their financial returns
- recommends to Parliament amendments for the better administration of the *Canada Elections Act*. It does this by submitting a recommendations report after a general election as well as by providing expert advice when Parliament studies electoral reform.

In addition, the Chief Electoral Officer appoints the Commissioner of Canada Elections. The role of the Commissioner is to protect the integrity of the electoral process by ensuring that the *Canada Elections Act* and the *Referendum Act* are complied with and enforced. The Commissioner carries out his or her duties independent of any political or government interference and is assisted by investigators, lawyers and administrative personnel. In carrying out the Office of the Commissioner's mandate, the Commissioner is guided by the principles of independence, impartiality, fairness and good faith.

The Chief Electoral Officer also appoints the Broadcasting Arbitrator. The Broadcasting Arbitrator is responsible for allocating free and paid broadcasting time among political parties and for arbitrating disputes that may arise between parties and broadcasters.

Strategic Outcome and Program Activity Architecture

Elections Canada has a single strategic outcome supported by the following Program Activity Architecture (PAA):[1]



[1] On August 6, 2010, Elections Canada received approval from Treasury Board to modify its PAA for 2011–2012. For a comparison of the old architecture with the new, see the PAA Crosswalk, included in the *2011–2012 Report on Plans and Priorities*, at www.elections.ca/content.aspx?section=res&dir=rep/est/rpp2011&document=paa&lang=e.

Organizational Priorities

Priority	Type	Program Activity
Maintain readiness to deliver electoral events	Previously committed to	ALL

In the period following the 40th general election on October 14, 2008, the agency improved and conducted various readiness activities. These ensured that:

- returning officers felt better prepared and ready to conduct the election
- the agency could better realize efficiencies while maintaining an adequate level of readiness
- the National Register of Electors was continually updated

Leading up to the 41st general election on May 2, 2011, Elections Canada maintained a high level of preparedness at all times, while reducing readiness costs, which were $4.7 million less than those for the previous general election.

The overall quality of the National Register of Electors continued to be very high. The agency estimates that 92.5 percent of eligible electors were on the preliminary lists and that 83 percent were registered at their current address. These estimates exceeded its targets of 92 percent and 80 percent, respectively, and were almost identical to those for the previous election.

Priority	Type	Program Activity
Continue to work toward our strategic objectives	Previously committed to	ALL

In response to the ruling in the case of *Hughes v. Elections Canada*, the agency provided improved accessibility training for all election workers, implemented measures to ensure that polling sites remained accessible throughout election day and implemented an accessibility feedback process.

For the 41st general election, the Chief Electoral Officer approved the use of 20 polling sites with no level access, compared to 40 for the 40th general election. Post-election surveys found that virtually all voters, including those with disabilities, found their polling site to be physically accessible. As with the 39th and 40th general elections, almost all voters in the 41st general election reported that the distance to their voting location[2] was convenient.

One administrative change facilitated proof of identification, particularly for seniors: it allowed the use of the voter information card (VIC), in combination with another piece of authorized identification, to facilitate proof of identity and address for specific categories of electors, including students on campus, Aboriginal electors on reserves and electors in seniors' residences. This initiative, in addition to the agency's new outreach efforts targeted at seniors living in residences and long-term care facilities, helped to reduce the barriers to voting faced by these groups.

Elections Canada provided support and technical expertise to the Standing Committee on Procedure and House Affairs as it reviewed the report *Responding to Changing Needs – Recommendations from the Chief Electoral Officer of Canada Following the 40th General Election*. It attended Committee meetings, responded to questions from members and provided additional information and analysis as requested by the Committee. On February 27, 2012, the Committee tabled its report on legislative change to modernize the electoral process, and it endorsed the vast majority of the Chief Electoral Officer's recommendations.

[2] In the Survey of Electors Following the 41st General Election, the term "voting location" applies to polling stations, advance polling stations, and local Elections Canada offices.

Priority	Type	Program Activity
Enable the electoral boundaries readjustment process to be launched	Previously committed to	Electoral Operations

The planning and preparatory phase of the electoral boundaries readjustment process was successfully completed in 2011–2012. This included providing support to Parliament during the legislative reform of the process, creating a website and developing specialized geographic software applications for use by the 10 independent commissions.

Key stakeholders were informed of the process during parliamentary caucus briefings, and the Library of Parliament disseminated information to members of Parliament and their staff.

The 10 electoral boundaries commissions were established by the Governor in Council on February 21, 2012. That day, the Chief Electoral Officer provided the census returns to the commission chairs, thereby launching the readjustment process.

These activities coincided with the redistribution launch conference, held on February 21 and 22, 2012. The conference acquainted the commissions with the redistribution process, outlined the administrative and technical support in place at Elections Canada to enable the process and provided an opportunity to exchange information about the process.

Priority	Type	Program Activity
Support excellence in talent management	New	Internal Services

Elections Canada completed the second year of its four-year human resources strategy. It gave its employees opportunities for professional and skills development, language training and health and safety training. Its recognition program honoured employees through instant awards, long service awards and the Chief Electoral Officer's Merit Awards. Efforts continued to increase the representation of designated groups, particularly women. Analysis of human resources and health and safety trends, completed mid-year and at year-end, showed that no major issues needed to be addressed. The agency will continue to focus on professional development to ensure that employees are able to meet the evolving challenges of their positions.

Priority	Type	Program Activity
Improve internal processes and consolidate agency offices	New	Internal Services

Elections Canada created a cross-sector committee structure to oversee corporate IT projects, with a particular focus on interdependencies, and developed a project management methodology to meet the needs of project teams and adopt best practices. It also continued to reinforce the governance of major internal initiatives to renew program infrastructure as well as carry out projects aimed at improving the preparation, administration and conduct of electoral events. As planned, the agency implemented a new corporate directive on managing projects that is aligned with recent Treasury Board policies on managing projects and investments. These initiatives allowed us to optimize resources and achieve significant cost savings.

Elections Canada continued the planning required to consolidate its offices into a new facility in Gatineau in the summer of 2013. This project achieved all of its planned milestones in 2011–2012, including delivering budget estimates, space requirements and floor plans; determining IT infrastructure requirements; and holding discussions with other tenants to identify opportunities for shared services.

Priority	Type	Program Activity
Make full and optimal use of our resources	Previously committed to	Internal Services

In response to the need for fiscal restraint, Elections Canada took measures in 2011–2012 to reduce its annual operating budget by 8 percent starting in 2012–2013. These reductions do not include expenditures that fall outside its annual operating budget – namely, those related to:

- transfer payments required by statute
- delivery of electoral events
- readjustment of electoral boundaries
- relocation of its offices to Gatineau in 2013
- compliance and enforcement activities of the Commissioner of Canada Elections

The agency achieved these reductions by:

- reducing the budget available to time-limited initiatives
- requiring programs to take a variety of measures to achieve efficiencies and absorb maintenance costs for recently delivered IT applications
- extending the time frame for the development and delivery of various programs and corporate initiatives and reviewing all programs to ensure that resources are focused on the highest priorities linked to its mandate

Elections Canada has also maximized use of its resources through a strategic alliance with Elections Ontario.

Together with Elections Ontario, Elections Canada developed and launched *Voting Rules!* This civic education pilot program teaches students about democracy, voting, elections, government and active citizenship through experiential lessons in an engaging graphic-novel format.

The coincidence of a majority federal government and a minority provincial government in Ontario has significantly altered the agency's plans to coordinate polling sites. Analysis has shown that the most effective approach at present is to share polling site address and accessibility data.

Elections Canada remains committed to collaborating with electoral agencies in other jurisdictions.

Risk Analysis

Elections Canada's *2011–2012 Report on Plans and Priorities* identified two main risks: pursuing longer-term changes in the context of a minority government and further fiscal restraint measures. Following is a brief overview of how it managed these risks and what the implications are for its performance.

Previously Identified Risks

Pursuing Longer-Term Changes in the Context of a Minority Government

The 41st general election required Elections Canada to temporarily suspend longer-term improvements to the electoral framework. However, it is pleased that the Standing Committee on Procedure and House Affairs restarted and completed its review of the recommendations for legislative change submitted by the Chief Electoral Officer to Parliament in 2010. The Committee endorsed the vast majority of those recommendations.

With the current majority government, a fixed date for the next general election of October 2015 and a return to election readiness scheduled for the spring of 2015, the agency now has a window of opportunity to pursue longer-term improvements to its services and the electoral framework.

Further Fiscal Restraint Measures

Elections Canada has responded to the spirit of the federal government's deficit reduction action plan. It took steps in 2011–2012 to reduce its annual operating budget beginning in 2012–2013, as outlined in the Chief Electoral Officer's January 2012 letter to the Standing Committee on Procedure and House Affairs and in his appearance before the Committee on May 29, 2012.

New for the Reporting Period

Elections Canada's focus in 2011–2012 was conducting the 41st general election, held on May 2, 2011, and carrying out post-election activities. The two following issues arose from that election and required the agency to exert significant efforts over that period.

Alleged Fraudulent Telephone Calls

During and following the election, Elections Canada received numerous complaints about both automated and live telephone calls. Some complaints alleged that callers, falsely claiming to be from Elections Canada, reported changes in poll location when in fact there were no such changes. Other complaints alleged that electors felt harassed by calls falsely purporting to be from a particular candidate or party, either because of the time or recurrence of the calls or because of their tone.

An investigation was launched into these complaints, and it remains a priority for the Commissioner of Canada Elections. Elections Canada will submit a report on this issue to Parliament by the end of the 2012–2013 fiscal year. This report will examine some of the challenges posed by the use of new information and communications technology by participants in the electoral process, and it will suggest improvements to the legal framework to help address these challenges.

Etobicoke Centre Contested Election

The Conservative candidate in Etobicoke Centre (Ontario) was elected by a margin of only 26 votes, and a judicial recount confirmed his election. In June 2011, the Liberal candidate filed an application in court, asking that the election be declared null and void and that a by-election be called within six months of the date of the court's decision. The judge hearing the application noted that the "election was conducted by responsible public officials and well-intentioned individuals, who were motivated by nothing less than a desire to do the job properly." He also stated, "Given the complexity of a federal election, [...] it is understandable that mistakes will be made." The mistakes in this case led the judge to discount 79 votes and overturn the election.

An appeal to the Supreme Court of Canada was launched, and a special hearing was conducted on July 10. Regardless of the outcome of the appeal, Elections Canada is placing a high priority on strengthening measures to improve compliance with the procedures and standards applicable on election day.

Summary of Performance

2011–2012 Financial Resources ($ thousands)

Planned Spending	Total Authorities	Actual Spending*
122,351	352,138	349,352

*Refer to the Agency Spending Trend section on the next page for an explanation of the variance between planned and actual spending.

2011–2012 Human Resources (Full-Time Equivalents, or FTEs)

Planned	Actual	Difference
506	572	66

Performance Summary, Excluding Internal Services

Program Activity	2010–2011 Actual Spending ($ thousands)	2011–2012 ($ thousands)			
		Main Estimates	Planned Spending	Total Authorities	Actual Spending*
Electoral Operations	52,728	35,030	35,030	204,824	202,833
Regulation of Electoral Activities	37,272	38,399	38,399	103,477	102,958
Electoral Engagement	9,809	8,583	8,583	7,947	7,893
Total	99,809	82,012	82,012	316,248	313,684

*Refer to the Agency Spending Trend section on the next page for an explanation of the variance between planned and actual spending.

Performance Summary for Internal Services

Program Activity	2010–2011 Actual Spending ($ thousands)	2011–2012 ($ thousands)			
		Main Estimates	Planned Spending	Total Authorities	Actual Spending*
Internal Services	47,209	40,339	40,339	35,890	35,668

*The decrease in actual spending between 2010–2011 and 2011–2012 is partly the result of refocusing resources to deliver the 41st general election (part of the Electoral Operations program activity). In addition, some expenditures were classified to the program activity they specifically supported in 2011–2012.

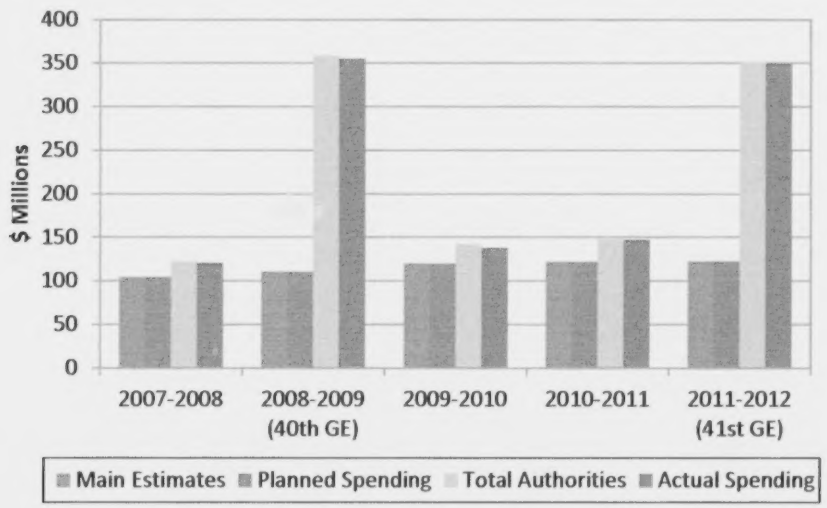
Expenditure Profile

Elections Canada's Financial Framework

The agency's dual funding mechanism and planning practices reflect its unique mandate. Elections Canada is funded in part by an annual appropriation that covers the salaries of its permanent staff and is not affected by the electoral cycle. Given the unpredictability of electoral events, it also has a statutory authority that allows it to draw directly from the Consolidated Revenue Fund.

Elections Canada's statutory authority covers all of its other expenses, including the additional expenses incurred in conducting elections, reimbursing election expenses to eligible candidates and parties, and enforcing the *Canada Elections Act*. These election expenses are not included in its planned spending.

Agency Spending Trend



The graph above shows the spending trend for the last five fiscal years. For 2011–2012, the variance between actual spending ($349.4 million) and planned spending ($122.4 million) is largely a result of conducting and administering the 41st general election. Additional expenses were funded from the statutory authority that allows the agency to draw directly from the Consolidated Revenue Fund; they were not included in Elections Canada's initial estimates because when those estimates were drawn up, the timing of the election was unknown.

Expenditures in 2011–2012 show a net increase of $202.4 million over 2010–2011, largely as a result of delivering the 41st general election. While spending related to a general election spans several fiscal years, the bulk of the costs of the election were incurred in 2011–2012. Excluding election costs, the agency reduced expenditures in 2011–2012 to $21.9 million less than in 2010–2011. This decrease is mainly a result of

reducing the cost of electoral readiness activities, transformative projects, and operation and maintenance expenditures at Elections Canada in Ottawa.

Cost of the 41st General Election

At the time of submitting this report to Parliament, the estimated cost of delivering the 41st general election was $289 million or $11.91 for each registered elector.

Approximately half of this cost ($144.6 million) went toward paying 226,000 workers – returning officers, staff at local Elections Canada offices and poll workers – and toward paying for goods and services required in the 308 electoral districts across Canada, including printing, renting approximately15,000 polling sites and leasing furniture and equipment.

It is projected that another large amount ($60.9 million) will be paid to eligible political parties and candidates for the partial reimbursement of their election expenses.

A third category of costs is split into two subcategories:

- Direct costs incurred at Elections Canada in Ottawa are estimated at $36.9 million. They include producing and placing election advertising (television, print, radio, Web) across the country, producing and printing reminder brochures for every household, delivering a large volume of election materials and supplies to the 308 electoral districts, the salaries of additional staff required in the various call centres operating during the election and the salaries of technical help required to support the IT infrastructure between Elections Canada in Ottawa and local Elections Canada offices.
- Election readiness costs incurred between the end of the 40th general election and the start of the 41st general election were $46.5 million. They include the salaries of temporary staff, recruiting and training returning officers and their staff, replenishing election materials and supplies, field readiness checks, and IT and telecommunications services and equipment. They also include heightened election readiness – a "just-in-case" operational strategy required during the minority government – as well as maintaining the National Register of Electors.

Estimates by Vote

For information on Elections Canada's organizational votes and/or statutory expenditures, please see the publication *Public Accounts of Canada 2012 (Volume II)*.[3]

[3] An electronic version can be downloaded from the Public Works and Government Services Canada website at www.tpsgc-pwgsc.gc.ca/recgen/txt/72-eng.html.

Section II: Analysis of Program Activities in Support of the Strategic Outcome

Strategic Outcome

The Office of the Chief Electoral Officer operates toward one strategic outcome:

An Accessible Electoral Framework That Canadians Trust and Use

Achieving this strategic outcome is facilitated by a Program Activity Architecture consisting of three program activities that are directly beneficial to Canadians.

Program Activity	Expected Result
Electoral Operations	The electoral process is accessible and administered fairly and efficiently.
Regulation of Electoral Activities	Canadians have confidence in the fairness of the administration and enforcement of electoral legislation.
Electoral Engagement	Canadians make informed decisions about their engagement in the electoral process.

A fourth program activity, Internal Services, exists to support Elections Canada in achieving the expected results of these three program activities.

Program Activity 1: Electoral Operations

Program Activity Description

This program activity allows Elections Canada to deliver fair and efficient electoral events whenever they may be required so that Canadians are able to exercise their democratic right to vote in a federal general election, by-election or referendum. To this end, the agency provides an accessible and constantly improved electoral process that is responsive to the needs of electors.

2011–2012 Financial Resources ($ thousands)

Planned Spending	Total Authorities	Actual Spending*
35,030	204,824	202,833

*Refer to the Agency Spending Trend section on page 11 for an explanation of the variance between planned and actual spending.

2011–2012 Human Resources (FTEs)

Planned	Actual	Difference
212	247	35

*The difference of 35 FTEs between planned and actual usage is mainly a result of the requirement for additional temporary employees for the delivery of the 41st general election. (The timing of the election was unknown when these estimates were drawn up.)

Program Activity Performance Summary

Expected Result	Performance Indicator*	Actual Results
The electoral process is administered fairly and efficiently.	Cost of elections per elector	The total estimated cost of the 41st general election was $289 million, or approximately $12 per registered elector. When adjusted for inflation, the total cost for the election and the cost per registered elector were slightly lower than the two previous elections. This decrease reflects the agency's efforts to effectively manage costs while serving an increasing number of electors.
	Percentage of Canadians who believe that Elections Canada administers elections in a fair manner	According to the post-election Survey of Electors, 90 percent of the general population, 88 percent of youth and 84 percent of Aboriginal electors believed that Elections Canada had run the election in a fair manner. This is the first time that the agency has assessed the perceived fairness of the administration of an election and the level of trust in the election results. The survey will provide a baseline for monitoring long-term trends.

Expected Result	Performance Indicator*	Actual Results
Elections Canada is prepared to hold electoral events whenever they are called.	Percentage of electoral offices that are fully functional within seven days of the start of an electoral event	All 308 local Elections Canada offices were open by Day 31 of the 37-day election calendar (an improvement of one day over the 2008 general election), and more offices were open earlier compared to that election. Their computer networks were installed more quickly in 2011 than in 2008.
Canadians have opportunities to exercise their democratic right to vote.	Percentage of electors who report not voting for administrative reasons	Of the non-voters surveyed, only 6 percent cited issues related to the electoral process itself, compared to 8 percent for the 40th general election.
	Percentage of polls that open on time	Virtually all polls opened on time on election day. Only 271 out of 66,146 ordinary polls (less than 1 percent) reported opening late. This is comparable to the percentage of advance polls opening late.
	Percentage of electors who are satisfied with their experience of casting a ballot	According to the Survey of Electors: • 99 percent found that it was very easy or somewhat easy to vote • 97 percent found that the polling station they used was located at a convenient distance from their place of residence • 99 percent were satisfied with the language in which they were served at the polling station • 97 percent were satisfied with the amount of time they had to wait; however, there was evidence of processing delays, particularly at advance polls • 98 percent were satisfied with the instructions they received for casting a ballot
Canadians have the information and support they need to participate in elections.	Percentage of Canadians who are aware of the variety of voting methods available	The Survey of Electors found that virtually all eligible voters (98 percent) reported being aware of the 41st general election. In addition, 43 percent of respondents knew that it was possible to vote by mail at any time during a federal election, compared to 35 percent in 2008. However, nearly half of all Canadians aged 18 to 34 were unaware of the options for voting other than at the polls on election day.
	Percentage of Canadians who know how and where to vote	Some 91 percent of electors who were aware of the election recalled receiving a VIC, which they cited as the primary source of information on voting procedures, including when and where to vote.

Expected Result	Performance Indicator*	Actual Results
Canadians are provided with timely electoral results that accurately reflect the choices they have made.	Percentage of polls reporting preliminary results after they close	Virtually all polls (99.6 percent) reported preliminary results after they closed. There were 28 polls in 14 electoral districts that did not report results on election night.
	Variance between preliminary results and validated results	For 1,482 polls (2.3 percent), results changed between preliminary results and validation, compared to 1,371 and 1,205 polls for the 40th and 39th general elections, respectively.
	Variance between reported results and results after judicial recounts	Judicial recounts took place in four electoral districts. All four recounts confirmed the results obtained by the returning officers at the validation of the results of the vote. The difference between the vote totals for the first- and second-place candidates changed by very little: four votes in Montmagny–L'Islet–Kamouraska–Rivière-du-Loup (Quebec), one vote in Etobicoke Centre (Ontario), three votes in Nipissing–Timiskaming (Ontario) and one vote in Winnipeg North (Manitoba).
Independent electoral commissions have the capacity to carry out their obligations under the *Electoral Boundaries Readjustment Act*.	Percentage of commissioners who are satisfied with the services and support they have received from Elections Canada	Feedback from commissioners and their staff regarding the launch conference was universally positive and indicated that they felt prepared to carry out their mandate.

*Targets for these performance indicators are under development.

Performance Summary and Analysis of Program Activity

While the preparations for and delivery of the 41st general election had a significant impact on its plans and priorities, Elections Canada made progress on two key initiatives.

- It implemented Phase 1 of its online voter registration service by March 31, 2012, as opposed to its planned date of fall 2011.
- Progress continued on the Internet-voting pilot project and a new model for operating polling sites, primarily by carrying out research and defining requirements. The plans for these initiatives will be reviewed along with the plans for the 42nd general election.

Since a general election can take place at any time under a minority government, Elections Canada had to maintain a continuous high level of electoral readiness leading up to the 41st general election. This ensured that if an election was called, the agency could quickly mobilize its resources both in Ottawa and in the field. The evaluation of the 41st general election indicates that Elections Canada was well prepared and delivered the election fairly and efficiently.

Administrative improvements tested in the fall 2009 and fall 2010 by-elections were successfully implemented for the 41st general election.

- In response to the ruling in the case of *Hughes v. Elections Canada*, Elections Canada implemented the new *Polling Site Accessibility Feedback Form*, which enabled electors to file complaints about accessibility – either immediately at the site when they voted or by telephone, fax, regular mail or e-mail. The agency also reported on accessibility complaints in its report on the conduct of the 41st general election. For the 41st general election, the Chief Electoral Officer approved the use of 20 polling sites with no level access, compared to 40 for the 40th general election.
- Research indicates that the new procedure to allow voters in certain locations to use their VIC along with another piece of authorized identification to prove their identity and address was a success. For example, some returning officers stated that voting at designated polls went much faster, and many administrators in long-term care residences reported that it was easier for residents to vote. Evidence from a small sample of targeted locations indicates that a majority of seniors in these locations used their VIC as one piece of identification. The timing of the election, which coincided with the end of the school term, considerably limited applying this initiative to student residences. Post-election evaluation tools did not provide sufficient data to assess the impact of this initiative on Aboriginal electors. The agency will aim to refine its evaluation tools to provide better coverage after subsequent general elections.
- For the first time in a general election, Elections Canada hired 300 community relations officers to provide information at seniors' residences and long-term care facilities and to explain the new initiative to accept the VIC as proof of identity and address. It also hired 863 community relations officers for the 41st general election, compared to 529 for the 40th general election.

Statistical data and feedback from returning officers indicate that the various recruitment mechanisms introduced for the 41st general election helped mitigate the challenge of recruiting an ever-increasing number of election officers. For example, the agency implemented a comprehensive election day recruitment plan for all electoral districts.

During the November 2010 by-elections, Elections Canada conducted a pilot project to test an assistive voting device for persons with disabilities. The device was intended to enable electors with a visual impairment or limited dexterity to mark a ballot independently and in secrecy. The pilot itself went well, but an evaluation of the project showed that the device was not a practical solution, and the project was abandoned. Elections Canada is continuing discussions with organizations representing persons with disabilities to explore other ways to make voting easier for these electors. It will also continue to offer the many assistive tools and services (e.g. voting template, sign language interpretation) that are already in place to make voting easier for electors with special needs.

Lessons Learned

By applying sound planning and risk mitigation approaches, Elections Canada was able to better manage the election uncertainty brought about by a minority government. More flexible arrangements with suppliers and such initiatives as using wireless technology in local Elections Canada offices allowed the agency to maintain a high level of preparedness at all times, while reducing readiness costs to $4.7 million less than the previous general election.

Recent events related to the contested election in Etobicoke Centre require Elections Canada to strengthen its measures to improve compliance with the procedures and standards applicable on election day. Regardless of the outcome of the contested election, the agency will review the voter registration and voting processes based on the events in that electoral district, assess the effectiveness of existing checks and balances, and engage key stakeholders in implementing solutions for the 2015 election.

Training election officers clearly remains one of the most challenging functions in any local Elections Canada office during an election. Elections Canada must find ways to mitigate the fact that the complexity of election officers' responsibilities has increased since 2007. The agency has already proposed that improving the service delivery model for polling sites would allow for simplification of the tasks assigned to each officer and pave the way for more comprehensive training. This would require legislative change.

Program Activity 2: Regulation of Electoral Activities

Program Activity Description

This program activity provides Canadians with an electoral process that is fair, transparent and in compliance with the *Canada Elections Act*. Within this program activity, Elections Canada is responsible for administering the political financing provisions of the Act. This includes monitoring compliance, disclosing and reporting financial activities and enforcing electoral legislation.

2011–2012 Financial Resources ($ thousands)

Planned Spending	Total Authorities	Actual Spending*
38,399	103,477	102,958

*Refer to the Agency Spending Trend section on page 11 for an explanation of the variance between planned and actual spending.

2011–2012 Human Resources (FTEs)

Planned	Actual	Difference
71	71	0

Program Activity Performance Summary

Expected Result	Performance Indicator*	Actual Results
Candidates have confidence in the fairness of the administration and enforcement of electoral legislation.	Percentage of candidates reporting confidence in the fairness of Elections Canada's regulatory activities	This indicator is being reviewed.
Political entities are transparent in their use of financial resources.	Percentage of financial returns that are submitted within four months of election day	Of the 1,588 candidates registered for the 41st general election: • 61 percent submitted their returns on time (compared to 66 percent for the 2008 election) • 35 percent requested an extension to file after the deadline (compared to 32 percent in 2008) • 5 percent were late or non-filers (compared to 2 percent in 2008)
	Number of substantive corrections and amendments required to returns	As of March 31, 2012, Elections Canada had completed its review of 804 of the 1,558 financial returns that candidates had submitted in the 41st general election. Of the 804 completed returns, 133 required amendments to address reporting errors or omissions, and 99 required amendments to report the payment of unpaid claims or loans.

Expected Result	Performance Indicator*	Actual Results
		By comparison, at the same time following the 40th general election, 651 of the 1,602 candidates' financial returns had been reviewed. Of those 651 completed returns, 72 required amendments to address reporting errors or omissions, and 44 required amendments to report the payment of unpaid claims.
Political entities understand and comply with their obligations and responsibilities under Canada's electoral legislation.	Percentage of candidates who understand their obligations and responsibilities regarding contribution limits, as established by the *Canada Elections Act*	This indicator is being reviewed.
	Number of cases of non-compliance that are subject to compliance measures	The audit of candidates' and third party reports in relation to the 41st general election identified 172 instances of possible non-compliance with the *Canada Elections Act*. Of these, 135 were dealt with through information and education measures, in accordance with Elections Canada's *Administrative Compliance Policy for Political Financing*. The remaining 37 instances were referred to the Commissioner of Canada Elections.

*Targets for these performance indicators are under development.

Performance Summary and Analysis of Program Activity

Political Financing

Audit of Financial Returns

The compliance audit of various political entities' annual financial returns included the audit of over 1,200 electoral district associations' financial transactions returns, 17 registered parties' annual returns and 92 nomination contestants' returns. Because this was an election year, Elections Canada also organized and prepared the receipt and compliance audit of electoral campaign returns for the 1,588 candidates who ran in the 41st general election as well as the audit of 17 registered parties' electoral financial transactions returns. The preparation included training new auditors and supporting candidates' official agents as they prepared the financial transactions returns.

Including the instances of non-compliance mentioned in the table above in relation to the 41st general election, the compliance audit over the year identified 437 instances of possible non-compliance with the *Canada Elections Act*. Of these, 235 were dealt with using education and information measures in accordance with Elections Canada's *Administrative Compliance Policy for Political Financing*, while the remaining 211 were referred to the Commissioner of Canada Elections.

The filing deadline for candidates in the 41st general election was September 2, 2011, and the compliance audit of candidates' electoral campaign returns was initiated that month. By March 31, 2012, 804 returns had been audited, representing an increase of 10 percent in completed audits compared to a similar period for the 40th general election. This resulted in quicker reimbursement of candidates' electoral and personal expenses. In addition, to measure the quality of the audit of candidates' financial returns and as part of its quality assurance program, Elections Canada retained outside expertise to conduct a preliminary quality assurance review of compliance audits related to the 41st general election. It confirmed that the audits had been performed in accordance with the professional standards established in its internal *Political Financing Audit Manual*. A more comprehensive and thorough examination of the quality of audit processes will take place in 2012–2013.

Registration of Political Entities

The agency administered all of the rules relating to the registration of political entities. This included making the annual update of information to the registry for 1,217 registered electoral district associations and 17 registered parties, deregistering 26 electoral district associations, registering 12 district associations and deregistering one party during the year. In addition, it successfully implemented the Political Entities Registration System. This system will increase the efficiency of the registration process, improve the accuracy of registration data and provide better information management and reporting to Canadians.

Political Financing Systems

Elections Canada continued to maintain the political financing systems that support the compliance audit functions and the publication requirements to which the Chief Electoral Officer is subject. The agency published more than 2,900 financial returns and related filings: candidate and registered political party financial returns relating to the 41st general election, registered political party quarterly and annual financial returns, electoral district association annual financial returns, and leadership and nomination contestant financial returns. Publishing these returns ensures that Canadians have access to relevant information about the financial affairs of political entities.

Training Sessions for Political Entities

Following the 41st general election, the agency conducted training sessions across the country in both official languages for candidates and official agents. These sessions explained the political financing provisions of the Act and the obligations of official agents. The sessions were well received, with 97 percent of participants indicating that the sessions met their expectations and that future sessions should be provided. However, as part of its fiscal restraint plan, Elections Canada has reduced the political financing training that it offers to financial agents of registered associations.

Compliance Assistance Unit

The Compliance Assistance Unit (CAU) applies the *Administrative Compliance Policy for Political Financing*. This policy focuses on using education to ensure that instances of non-compliance are dealt with in a manner that reflects the seriousness of the infractions and makes more efficient use of public resources. In addition to carrying out activities related to administrative compliance, the CAU also monitors compliance with contribution rules by following up on outstanding loans and unpaid claims as well as conducting horizontal audits to identify individuals who contributed to several political entities and potentially exceeded their contribution limit in any audited year.

In 2011–2012, as part of a pilot project, the CAU conducted horizontal contribution audits for 2008 and 2009 to verify compliance with the contribution limits by electoral district associations, candidates and nomination contestants who share a contribution limit. These audits identified 326 political entities (158 electoral district associations, 162 candidates and six nomination contestants) as possible recipients of contributions exceeding the contribution limits, for a total value of $236,841. Steps have been taken to ensure the return of excess contributions.The agency will now include periodic horizontal audits in its regular audit programs.

Office of the Commissioner of Canada Elections

During this period, the Commissioner of Canada Elections resolved 90 files by sending out caution letters and disposed of eight investigations using compliance agreements. Charges were laid in relation to four investigations.[4] In addition, the Commissioner made two referrals to the Public Prosecution Service of Canada.

The 41st general election produced an increase in the number of complaints from the public that required individual responses. The Commissioner received 1,003 complaints during the election. These complaints were dealt with by verifying the complaint, providing the requested information, contacting the parties involved to correct the situation or educating them about the requirements of the *Canada Elections Act*. In each case, the complainant was contacted. As of March 31, 2012, two files remained open, in addition to those related to improper or fraudulent telephone calls.

The investigation into improper or fraudulent telephone calls was initiated by complaints received on election day. The Commissioner of Canada Elections treated these complaints promptly and immediately undertook to investigate them. Following media reports of the investigation, which were based on publicly available court documents, as of March 31, 2012, close to 40,000 people had contacted Elections Canada to express their concerns, and more than 800 people had filed complaints of specific occurrences of improper or fraudulent telephone calls. The Office of the Commissioner followed up with each complainant. The investigation is under way.

[4] Details of the charges are available at www.elections.ca/content.aspx?section=abo&dir=com/stat&document=index&lang=e.

Program Activity 3: Electoral Engagement

Program Activity Description

This program activity promotes and sustains the Canadian electoral process. It provides Canadians with electoral education and information programs so that they can make informed decisions about their engagement in the electoral process. The program activity also aims to improve the electoral framework by consulting and sharing electoral practices with other stakeholders.

2011–2012 Financial Resources ($ thousands)

Planned Spending	Total Authorities	Actual Spending*
8,583	7,947	7,893

*The variance of $690,000 between planned and actual spending is mainly a result of postponing the development of a new advertising campaign aimed at young people in the context of the deficit reduction action plan.

2011–2012 Human Resources (FTEs)

Planned	Actual	Difference*
55	71	16

*The difference of 16 FTEs between planned and actual usage is mainly a result of the requirement for additional temporary employees for publication, outreach and parliamentary affairs services.

Program Activity Performance Summary

Expected Result	Performance Indicator*	Actual Results
Canadians make informed decisions about their engagement in the electoral process.	Percentage of Canadians who believe that they can make an informed decision about their engagement	This indicator is being reviewed.
Canadians understand the importance of voting and the value of participating in the electoral process.	Percentage of Canadians who understand the importance of voting	According to surveys, the vast majority of respondents think that it is important to vote in elections (79.5 percent strongly agree, and 18.4 percent agree).
	Percentage of Canadians who understand the value of participating in the electoral process	This indicator is being reviewed.
Elections Canada and international electoral stakeholders improve their capacity to better administer electoral processes.	Percentage of international and domestic stakeholders who intend to incorporate shared best practices	This indicator is being reviewed.

Expected Result	Performance Indicator*	Actual Results
Parliamentarians have access to evidence-based information, allowing them to make informed decisions about existing and emerging electoral issues.	Percentage of parliamentarians satisfied with the quality of the Chief Electoral Officer's recommendations reports	In its report of February 27, 2012, the Standing Committee on Procedure and House Affairs agreed with the vast majority of the recommendations outlined in the 2010 recommendations report.

*Targets for these performance indicators are under development.

Performance Summary and Analysis of Program Activity

Reaching Out to Electors

Over the past year, Elections Canada began implementing a three-year outreach action plan aimed at making the voting process easier and more convenient for all electors.

Key strategies for the first year centred on engaging specific groups of electors to validate the agency's own awareness and understanding of barriers to voting as well as continuing and refining civic education programming to make educators, children and young people aware of the importance of voting and democracy in Canada. The agency also shared and presented its research findings to stakeholders and encouraged them to take action to support civic engagement through various means, such as disseminating research reports and research action digests, making presentations and holding consultations.

Elections Canada commissioned the National Youth Survey[5] to better understand why youth may or may not participate in the electoral process. Among other things, the survey showed that the most important reasons for not voting related to motivational issues, including low levels of political knowledge, negative attitudes about political parties and lack of contact with candidates.

The agency also commissioned an evaluation[6] of the *Student Vote* program to assess its effectiveness in achieving its civic education objectives among elementary and secondary school students, teachers and parents. This study showed that the Program has a significant positive impact on many key factors associated with voter turnout. Based on these results, Elections Canada will continue to conduct a parallel election program for students in future elections.

The agency launched the first annual Canada's Democracy Week[7] to celebrate Canada's democratic system and promote the importance of civic education and engagement. In partnership with the Library of Parliament, it developed a guide to voting and democracy for new electors.

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[5] The resulting report is available at www.elections.ca/content.aspx?section=res&dir=rec/part/nysr&document=index&lang=e.

[6] Available at www.elections.ca/content.aspx?section=res&dir=rec/part/svp&document=index&lang=e.

[7] See www.democracy-democratie.ca/content.asp?document=home&lang=e.

Meetings were also held with 19 national and provincial organizations representing people with disabilities; the goal was to better understand the needs of this demographic group and obtain feedback from these organizations on ways to make elections more accessible for everyone. The results will be used to develop guiding principles that incorporate accessibility into the agency's outreach programming and electoral services.

In the context of the deficit reduction action plan, fiscal reductions have meant slowing down and curtailing efforts to modernize and improve outreach services. As a result, the agency has set aside the development of a new advertising campaign aimed at young people during general elections.

Improving Collaboration with Parliament

Elections Canada regularly engaged parliamentarians on both legislative and administrative electoral issues. It provided technical advice to the Standing Committee on Procedure and House Affairs regarding the Chief Electoral Officer's 2010 recommendations report to Parliament for the better administration of the *Canada Elections Act*. In its report of February 27, 2012, the Committee agreed with the vast majority of those recommendations. Elections Canada also provided advice to the Committee on Bill C-20 (*Fair Representation Act*) and the allegations of wrongdoing during the 41st general election. It appeared before the Standing Committee on Access to Information, Privacy and Ethics to discuss union sponsorship of the New Democratic Party's spring 2011 convention. It informed parliamentarians, through parliamentary seminars and caucus briefings, about the electoral boundaries readjustment process and their involvement in it, and gave support to Parliament during the legislative reform of the readjustment process. Finally, it met with the Standing Committee on Procedure and House Affairs in September 2011 at Elections Canada's offices to inform the members about the electoral boundaries readjustment process and discuss the agency's operational vision for the 42nd general election.

Throughout the year, Elections Canada maintained regular contact with the Advisory Committee of Political Parties to discuss various issues related to the regulatory regime (including the audit of contributions, its internal *Administrative Compliance Policy on Political Financing* and allocation of broadcasting time), the services provided to political entities and electors during the 41st general election and specific issues that arose during the general election. Feedback from the Committee informed the planning of the agency's programs and initiatives, including its operational vision for the 42nd general election.

Over the past year, Elections Canada undertook and completed research projects on various electoral issues. These include five major national public opinion studies with various stakeholders to assess their experience with and the administration of the 2011 general election. The results of these studies were published on the Elections Canada website and supported the development of the agency's consolidated evaluation report, which will be made available this fall. Elections Canada also partnered with the Canadian Election Study, the leading Canadian academic longitudinal study of federal elections. It commissioned research with members of the academic community to deepen its understanding of the impact of election spending limits on candidates and political

parties as well as the factors affecting the participation of Aboriginal electors and electors with disabilities. It also launched research on alternative electronic voting methods to strengthen its understanding of both the legal and social issues at play.

Developing Partnerships with Provincial and International Electoral Counterparts

As part of a strategic alliance with Elections Ontario, Elections Canada developed and launched *Voting Rules!* This civic education pilot program teaches students about democracy, voting, elections, government and active citizenship through experiential lessons in an engaging graphic-novel format. An evaluation of the program, conducted in May and June 2011, made useful recommendations for strengthening the program in the future.

Internationally, the agency refocused its efforts on initiatives contributing to the work of multilateral organizations. Elections Canada supported the development of the Commonwealth Electoral Network (CEN), aimed at exchanging best practices and creating peer support mechanisms. It worked closely with the Commonwealth Secretariat to plan the second conference of the CEN, held in Toronto in June 2012, with the theme of integrating technology into the electoral process. At this conference, Canada assumed leadership of the CEN for the next two years.

Similarly, the agency worked with Élections Québec and international electoral management bodies to establish the Réseau des compétences électorales francophones, which operates under the umbrella of the Organisation internationale de la Francophonie. It also continued to support and contribute to the operations of the ACE Electoral Knowledge Network, the world's largest online repository of election information.

Lessons Learned

From the National Youth Survey, Elections Canada learned that the key reasons that young people do not vote are primarily motivational. To address issues related to turnout, it needs to collaborate with multiple stakeholders from civil society, the private sector and government, including educators, youth-serving organizations, student federations, business, post-secondary institutions, members of the media and other government agencies. To this end, Elections Canada will actively engage a wide array of stakeholders as a first step in the development of a collaborative, cross-sectoral approach to addressing the problem of declining youth voter turnout. This engagement will include political parties, parliamentarians and elected officials.

Program Activity 4: Internal Services

Program Activity Description

In addition to carrying out programs that directly benefit Canadians, Elections Canada requires internal services to help fulfill its mandate. These services focus on human resources modernization, performance management, legal services, internal audits, financial and human resources management, and information management and technology.

2011–2012 Financial Resources ($ thousands)

Planned Spending	Total Authorities	Actual Spending*
40,339	35,890	35,668

*The variance of $4.7 million between planned and actual spending is mainly a result of lower-than-planned costs to acquire equipment related to office consolidation and to keep IT up to date.

2011–2012 Human Resources (FTEs)

Planned	Actual	Difference*
168	183	15

*The difference of 15 FTEs between planned and actual usage is primarily a result of the requirement for additional temporary employees in IT.

Performance Summary and Analysis of Program Activity

Responding to Fiscal Restraint

As previously planned, Elections Canada implemented the recommendations of its A-base review and took other measures over the period to respond to fiscal restraint.

Programs were required to use a variety of measures to achieve efficiencies and absorb maintenance costs for recently delivered IT applications. This allowed the agency to reduce hardware and software maintenance costs – for example, by reviewing service agreements, optimizing resources by restructuring IT support and reducing support costs by establishing a new IT service model.

In addition, the agency reduced the budget available to programs for time-limited initiatives. Some examples of initiatives that will be delayed or postponed include migrating a new departmental financial system, modernizing the nomination process for candidates, developing the advertising program aimed at youth and being ready to conduct referendums.

The agency is also extending the time frame for developing and delivering various programs and corporate initiatives.

Finally, Elections Canada began reviewing all programs to ensure that resources are focused on the highest priorities linked to its mandate. In early 2012, it launched a zero-based budgeting exercise to analyze performance for effectiveness and efficiency, review

baseline expenditures, rank spending activities and allocate resources to its highest priorities. The results of this exercise will be implemented in 2013–2014.

Talent Acquisition, Development and Retention

Elections Canada continued to provide employees and middle managers with opportunities for professional development. It provided more than 100 in-house professional development training sessions in both official languages and offered language training to more than 100 employees. It also offered a 10-day development program for middle managers and skills development programs to supervisors and other employees interested in gaining supervisory skills.

Elections Canada's recognition program honoured employees through instant awards, long service awards and the Chief Electoral Officer's Merit Awards.

Efforts continued to increase the representation of designated groups, particularly women, by:

- offering flexible work hours, compressed work hours and leave with income averaging
- continuing investment in employee training and career development
- conducting exit interviews to capture reasons for departures (conducted with 59 percent of departing employees)

The agency offered several training sessions to employees on health and safety topics. Analysis of human resources as well as health and safety trends, completed mid-year and at year-end, showed that no major issues needed to be addressed.

Returning Officer Professionalization

With the next general election scheduled for October 2015 and the results of the electoral boundaries readjustment process expected in fall 2013, Elections Canada needs to redesign and reschedule its plans for enhancing the returning officers' training and professional development plan. Recruitment and training of new returning officers was suspended in 2011–2012 until the new electoral district boundaries come into force; this could result in a significant number of new returning officers.

Meanwhile, Elections Canada will review the returning officers' competency profiles and modernize its approach to training returning officers, with a view to enhancing their accountability for electoral operations, including voting operations.

Renewing Technology

Modernizing its IT infrastructure and establishing a new Internet service provider improved the agency's ability to deliver new services to electors and parliamentarians.

Of equal importance, Elections Canada implemented the first centralized database of elector information to support the next generation of applications. Two critical business applications were deployed: E-Registration and Political Entities Registration System.

These investments now enable Elections Canada to introduce new electronic services to support its strategic objectives of trust, accessibility and engagement.

Strengthening Governance

IT Project Management

A cross-sector committee structure was put in place to oversee corporate IT projects, with a particular focus on interdependencies. As a centre of expertise, the Portfolio Management Office developed a project management methodology to meet the needs of project teams and adopt best practices.

Project Management Directive

In 2011–2012, Elections Canada continued to reinforce the governance of major internal initiatives.

As planned, the agency implemented a new corporate directive on managing projects that is aligned with recent Treasury Board policies on managing projects and investments. Further to this directive, a formal business case and review process was established, focusing in particular on projects of a transformative nature or those that require the approval of Parliament.

Risk Management

The work on the corporate risk management framework was delayed as a result of the 41st general election and the subsequent need to design and develop Elections Canada's operational vision for the 2015 general election. Based on capacity, work may resume on the risk management framework.

Specific Partnering Initiatives with Elections Ontario

The coincidence of a majority federal government and a minority provincial government in Ontario has significantly altered the planning for partnering initiatives. Polling site selection and verification in the two jurisdictions are now conducted according to different parameters. A business case analysis tabled in the fall of 2011 showed that the most effective approach, for the time being, is to share site address data and information on accessibility issues raised through elector feedback and complaint processes.

Elections Canada remains committed to collaborating with electoral agencies in other jurisdictions.

Internal Audit

The internal audit function is a key component of Elections Canada's management framework. By the end of March 2012, the agency had updated its three-year Risk-Based Audit Plan for the remaining two fiscal years, 2011–2012 and 2012–2013. This updated

plan will provide Elections Canada with assurance of the soundness of its management processes. In addition, it will give senior management critical information for delivering the agency's mandate and assessing governance, risk management and control activities.

A list of audit activities completed in 2011–2012 is available at www.elections.ca/content.aspx?section=res&dir=rep/est/dpr2012&document=audit&lang=e.

The audit of assets management has been postponed to the 2013–2016 Risk-Based Audit Plan and will be addressed in 2013–2014, after Elections Canada moves to Gatineau.

The final recommendations of the A-base review were presented to the Audit Committee, together with the results of continuous auditing engagements related to compliance with human resources policies, quality assurance of political financing and inventory count.

The Internal Audit Directorate carried out its mandate successfully. Its reports provided value to management by addressing current issues and priorities. In addition, the annual review of its Risk-Based Audit Plan will help set priorities for the internal audit function.

Consolidating Workspace

Elections Canada continued the planning required to move its offices to a new facility in Gatineau in the summer of 2013. The relocation will consolidate seven locations into one main facility, thereby supporting the government's initiative to reduce the number of federally owned or leased facilities. By reducing the number of its locations, the agency will realize organizational and cost efficiencies in the administration of its business and facilities.

The project achieved all of its planned milestones in 2011–2012, including:

- delivering a preliminary three-year budget estimate
- providing final space requirements and preliminary floor plans
- determining IT infrastructure requirements
- holding discussions with other tenants to identify opportunities for shared services

Election Evaluations (Unplanned)

Work began in 2011–2012 on a consolidated report on the evaluations of the 41st general election, using the same approach as after the 40th general election. This report will summarize results from various post-election surveys and analyses. By comparing various points of view, it will provide a balanced perspective on the conduct of the 41st general election, focusing on the experiences of voters and political entities as well as Elections Canada's own performance in administering the election. The report will be available in fall 2012.

Lessons Learned

Post-election evaluations are high-level assessment tools that try to capture and account for the various experiences of voters and other key stakeholders over time. These evaluations provide valid and critical data for improving agency programs, assessing the latest legislative changes and informing Parliament of potential issues emerging from the current electoral framework.

However, the agency's current evaluation tools do not assess what takes place at a much more granular level, such as the extent to which detailed electoral procedures are followed.

In light of the events surrounding the contested election in Etobicoke Centre, Elections Canada will explore the role that post-election evaluations can play in assessing compliance with standards on election day as well as the effectiveness of existing checks and balances.

Section III: Supplementary Information

Financial Highlights

Condensed Statement of Financial Position (Audited)
As at March 31, 2012 ($ thousands)

	Percentage Change	2011–2012	2010–2011
Total net liabilities	(15.3)	32,207	38,024
Total net financial assets	(7.2)	28,211	30,406
Agency's net debt	(47.5)	3,996	7,618
Total non-financial assets	(24.2)	21,504	28,362
Agency's net financial position	(15.6)	17,508	20,744

Net liabilities for 2011–2012 were $32.2 million, a decrease of $5.8 million from 2010–2011. Of this decrease, approximately $4.1 million was in accrued employee salaries and benefits, of which $3.6 million was related to field election workers' salaries for the preparation and delivery of the 41st general election. The remaining decrease of $1.7 million in liabilities is largely a result of the payout of employee severance benefits in 2011–2012.

Net financial assets for 2011–2012 were $28.2 million, a decrease of $2.2 million from 2010–2011. This change can largely be explained by the decrease in accrued employee salaries and benefits.

Non-financial assets for 2011–2012 were $21.5 million, a decrease of $6.9 million from 2010–2011. This change can largely be explained by the decrease in consumable electoral supplies and prepaid expenses to rent local Elections Canada offices for the 41st general election.

Condensed Statement of Operations and Departmental Net Financial Position (Audited)
For the Year Ended March 31, 2012 ($ thousands)

	Percentage Change	2011–2012	2010–2011
Total expenses	128	363,731	159,816
Total revenues	0	0	0
Net cost of operations before government funding and transfers	(27.8)	3,236	4,479
Agency's net financial position	(15.6)	17,508	20,744

There was an increase of $204 million in total expenses in 2011–2012 over 2010–2011. This increase is largely a result of the 41st general election, held on May 2, 2011.

The condensed financial statements and associated highlights have been prepared on an accrual accounting basis. They differ from the figures presented in previous sections, which are based on authorities voted by Parliament on a modified cash basis.

Financial Statements

More detailed financial statements can be found on the Elections Canada website at www.elections.ca/content.aspx?section=res&dir=rep/est/dpr2012&document=financial&lang=e.

List of Supplementary Information Tables

All electronic supplementary information tables included in this *2011 2012 Departmental Performance Report* can be found at www.elections.ca/content.aspx?section=res&dir=rep/est/dpr2012&document=sup-info&lang=e.

- Details of Transfer Payment Programs
- Response to Parliamentary Committees and External Audits
- Internal Audits and Evaluations

Section IV: Other Items of Interest

New Legislation

An analysis of proposed amendments to electoral legislation with a potential impact on our business can be found on the Elections Canada website at www.elections.ca/content.aspx?section=res&dir=rep/est/dpr2012&document=legislation&lang=e.

Judicial Decisions and Proceedings

An analysis of judicial decisions and proceedings that may affect electoral legislation can be found on the Elections Canada website at www.elections.ca/content.aspx? section=res&dir=rep/est/dpr2012&document=judicial&lang=e.

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